

**CONFIDENTIAL**

The Director of Central Intelligence  
Washington, D.C. 20505

National Intelligence Council

NIC #02524-84  
26 April 1984

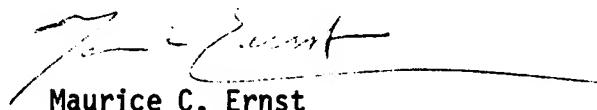
MEMORANDUM FOR: Director of Central Intelligence  
Deputy Director of Central Intelligence

VIA: Chairman, National Intelligence Council

FROM: Maurice C. Ernst  
National Intelligence Officer for Economics

SUBJECT: The Debt Problem Revisited

1. Attached is a typescript memo that I have prepared on the debt problem. I have sent it to interested officials at the Assistant Secretary and senior staff level. My objective is to stimulate the policy community concerned with this issue, especially at Treasury, to take another look at the debt problem on an interagency basis. The last interagency study on this question is a year old. The study laid the foundations for the current policy--essentially an ad hoc treatment of country debt problems, with heavy reliance on the IMF. I believe that this approach is still basically sound, but needs to be supplemented in important ways because of growing political resistance to IMF-imposed austerity in the debtor countries.
2. You may wish to send this study to your own policy counterparts.



Maurice C. Ernst

Attachment:  
As stated

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NIC #0254-84  
26 April 1984

SUBJECT: The Debt Problem Revisited

DCI/NIC/NIO/Econ:M.Ernst:bha(26 Apr 84)

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